Congress of the United States Washington, DC 20515

October 8, 2009

Administrator Craig Fugate
Federal Emergency Management Agency
500 C St. SW
Washington D.C. 20472

Dear Administrator Fugate,

As members of the Louisiana Congressional delegation, we write to express our concern with the Federal Emergency Management Agency's (FEMA) delay in issuing the final Community Disaster Loan (CDL) forgiveness regulation.

Two years after Congress gave FEMA authority to forgive these loans, we have yet to see the final rule. In December 2008, FEMA informed Congressional staff that a final rule would be issued by January 2009. Two months after this deadline, on March 31, 2009, the Department of Homeland Security announced the proposed rule, with comments due by June 2, 2009. Though fewer than 100 comments were received, FEMA recently informed CDL recipients that the final regulation will not be issued until early 2010.

This delay has caused financial uncertainty for many of the most severely-affected parish governments and public organizations. School boards, fire and police departments, hospitals, and other local government entities along the Gulf Coast have relied on CDLs to sustain municipal operations. As long as these CDL debts remain on the books, these organizations will continue to face unstable financial futures. Our nation's current economic state has amplified the need for FEMA to act quickly and effectively to provide guidance on forgiveness of these loans. Without swift action, the financial health and long-term recovery of the region will remain at risk.

We ask that FEMA expedite the review process and issue the final rule prior to the end of the year. In addition, we request that FEMA, prior to October 20, 2009, meet with us to provide a timeline for the rule's completion and expected date for issuing the final rule. Given the urgent need of local governments and organizations to make financial plans, it is important that FEMA make finalization of the CDL forgiveness rule a top priority.

Respectfully,

Mary L. Landrie U.S. Senator

David Vitter

U.S. Senator

Charlie Melanoon Member of Congress

Rodney Alexander Member of Congress

Member of Congress

Steve Scalise Member of Congress

Member of Congress

Member of Congress

Member of Congress